
Tuesday, May 20, 2009

Legislation Cosponsored by Rep. Luján to Protect New Mexicans from Unfair Credit Card Practices

Washington, DC – Today, the Credit Cardholders' Bill of Rights passed the House of Representatives. Rep. Ben Ray Luján is a cosponsor of the comprehensive credit card reform legislation. The bill will protect New Mexican families by leveling the playing field between credit card companies and consumers, and by increasing protections against unfair and misleading credit card practices. The legislation will now head to President Barack Obama's desk.

"I'm glad that this important piece of legislation will now head to the President's desk for his signature," said Rep. Luján. "As I have traveled the district, I have talked to families who have worked hard and followed the rules only to be taken advantage of by unfair and predatory credit card practices. At a time when it is difficult for many New Mexicans to make ends meet, this is unacceptable. The Credit Cardholders' Bill of Rights is an important step toward ending these practices by credit card companies. This bill takes common sense steps to protect families from unfair credit practices--safeguarding families from retroactive charges, excessive fees, arbitrary rate increases and misleading terms."

Last week, President Obama visited Rio Rancho, New Mexico to discuss credit card reform and to urge Congress to pass the Credit Cardholders' Bill of Rights. He thanked Rep. Luján for supporting the legislation in the House of Representatives. **Watch the video here:** <http://www.youtube.com/watch?v=3KBhzyxPXB8>

Last year, families faced \$19 billion in penalty fees imposed by credit card companies. This year, credit card companies will break all records for late fees, over-limit charges, and other penalties—which could total more than \$20.5 billion.

The Credit Cardholders' Bill of Rights will help New Mexican families during these difficult economic times by:

- Preventing Unfair Increases in Interest Rates and Changes in Terms
- Prohibiting Exorbitant and Unnecessary Fees
- Requiring Fairness in Application and Timing of Card Payments
- Protecting the Rights of Financially Responsible Credit Card Users

- Providing Greater Disclosure of Card Terms and Conditions
- Strengthening Oversight and Penalties Credit Card Industry Practices
- Ensuring Adequate Safeguards for Young People